

As an example, JCP&L's current ITC balance is being amortized into FERC Account 411.4. A portion of that amortized amount is allocated to the transmission function and credited to customers through JCP&L's formula rate as a reduction to income tax expense.

- (3) Do you intend to review and discuss your proposed rate and FPA Section 205 filings with the NJ BPU prior to submitting those proposals with either PJM or FERC? In connection with the foregoing, are you willing to provide the NJ BPU an opportunity to give feedback prior to your making any FERC filing on this matter?

Response: JCP&L is amenable to having an open dialogue with the NJ BPU in this matter.

- (4) Do you intend to provide the NJ BPU the opportunity to monitor compliance with the selected cost containment and schedule guarantees that would be incorporated in a Designated Entity Agreement ("DEA") with PJM? With respect to the DEA, do you intend to provide the NJ BPU an opportunity to present concerns or ask clarifying questions related to your proposed Schedule E terms before they are presented to PJM?

Response: JCP&L is amenable to having an open dialogue with the NJ BPU and PJM in this matter.

- (5) Please indicate whether you have had, or anticipate having, any discussions with the Department of Energy Loan Programs Office (LPO) regarding obtaining support from the LPO for your proposed project(s). If so, please provide an overview of the discussions you have had with the LPO, whether you have filed an initial application with the DOE, or whether you intend to do so.

Response: JCP&L did not have any discussions with the LPO as it anticipates having sufficient access to capital markets through traditional sources at a reasonable cost. JCP&L is not averse to considering such an option if it becomes available for certain transmission projects and benefits the customer. However, it is important to note that the LPO process can be complicated and time consuming which could increase project completion risk.

- (6) Please discuss any efforts to access non-tax federal support for your project, including, but not limited to, funding from the Department of Energy's Transmission Facilitation Program, other Infrastructure Investment and Jobs Act funding, or other sources of potential support. Would you anticipate filing such a request or would you expect New Jersey to seek any available support?

Response: JCP&L has not submitted applications to date to access non-tax federal support for this proposal but would anticipate filing a request if it is determined to benefit our customers. It is premature to apply under the programs mentioned in this inquiry.

JCP&L would encourage the State of New Jersey to apply for funds if it is determined to benefit New Jersey customers. The Department of Energy administered program "Preventing Outages and Enhancing the Resilience of the Electric Grid" may present such an opportunity to the state. On May 3, 2022, the Department of Energy issued a Request for Information regarding formula grants to be awarded to States and Indian Tribes under this program, with responses due June 2, 2022. 87

FR 26191. At this point it would appear premature for the state to apply for anything under this program as well.

- (7) Do you commit to “flow through” to New Jersey ratepayers any economic benefits that may be received from DOE or other federal funding sources? If so, please provide specific details on the manner in which this would be accomplished. If you are electing to keep the economic benefit of any federal support, please so specify and address any impact on your bid.

Response: Any funding received from the DOE will be used to offset the cost for which recovery will be sought to the extent permissible by law.

- (8) Please discuss any potential impacts on your project and bid if federal support were made available through DOE’s Transmission Facilitation Program in the form of a purchase of transmission capacity, which would then be made available for resale by DOE at a future time. Could the project be structured as a sale of transmission capacity, where such capacity sales would be backed by a ratepayer-backed purchase of all available capacity? What would be the pros and cons of such an approach?

Response: JCP&L has not analyzed this scenario but would be open to discussing it.

Project Design:

- (9) Has your offshore platform been designed with sufficient space and equipment for future interconnection with other offshore platforms as a part of an offshore transmission network?

Response: The JCP&L proposals do not include any offshore platforms.

- (10) JCPL’s 1B Proposal 453 includes upgrades to the existing JCPL system to accommodate offshore wind injections at the proposed Mid-Atlantic Offshore Development (MAOD) Larrabee Converter Station (including DC converters and an AC switchyard) in Proposal 321. Can JCPL provide a cost estimate for building only the AC switchyard portion of the MAOD substation and not the HVDC converter stations? In the case that Proposal 453 is selected without the Proposal 321 DC converter stations, would JCPL or MAOD build the AC switchyard portion of Proposal 321?

Response: JCP&L did not develop a cost estimate for the AC switchyard portion of the MAOD substation. MAOD would build the AC switchyard portion of Proposal 321. JCP&L would support the construction of the AC switchyard portion to whatever extent would be required.

- (11) Please explain whether there are any issues related to expanding the size of the Smithburg substation.

Response: To minimize environmental impacts to regulated areas due to the expansion of the Smithburg Substation, JCP&L conducted environmental studies, including a swamp pink field survey to confirm the absence of swamp pink in the expanded area. Unavoidable impacts to freshwater wetlands, wetlands transition areas and riparian zone still exceeds the allowable disturbances and JCP&L anticipates obtaining a Freshwater Wetlands Individual Permit and Flood

Hazard Area Individual Permit from NJDEP. To compensate for disturbances to freshwater wetlands, wetlands transition areas and riparian zone, mitigation methods are anticipated. JCP&L will request a pre-application meeting to discuss the project with NJDEP. The process to obtain the required individual permits are expected to take one (1) year after the application is submitted to NJDEP. The design in this area will continue to be reviewed for opportunities to further minimize impacts. A gas insulated substation (GIS) solution is under consideration for Smithburg substation to minimize environmental impact, although this may increase the estimated cost.

Siting/Permitting:

- (12) Identify progress made in securing necessary land, easements, ROW grants, etc. For your project(s) since submittal.

Response: No additional easements have been secured to date. As proposed, JCP&L plans to almost exclusively utilize existing established ROW corridors. Additional rights will be needed to support the expansion at East Windsor Substation along with easements needed to support the transmission line connections to the Larrabee Converter Station, which is assumed to be constructed adjacent to the eastern extent of the JCP&L Larrabee Substation property. At which time, JCP&L will work with the developer to secure those necessary rights based on the location and orientation of the future converter station.

- (13) Please describe how your proposed solutions will minimize environmental impacts and permitting requirements through the use of common corridors that can accommodate more than one transmission cable, including an estimate of the miles in which facilities/infrastructure will be co-located within a common corridor and miles in which facilities/infrastructure will be located in separate corridors.

Response: The proposal includes approximately 64.2 total miles of transmission line work occurring within established transmission ROW. Utilizing the existing ROW mitigates the need to create new greenfield corridors; and therefore, minimizes potential environmental impacts and permitting requirements to the extent practical. Table 1 below notes the breakdown of proposed scope among new circuits, rebuild and reconductor work.

Table for Clarifying Question 13: Transmission Scope Utilizing Existing ROW

Transmission Scope	Approximate Mileage	Percentage
New Circuits in Existing ROW	43 Miles	67%
Rebuild in Existing ROW	5.8 Miles	9%
Reconductor in Existing ROW	15.4 Miles	24%
Total	<u>64.2 Miles</u>	<u>100%</u>

- (14) In the case where facilities/infrastructure are using common corridors, please explain the methods for reducing environmental impacts, including what equipment will be used in common corridors, when each facility will be installed, and how they will be installed, and how the common corridors will mitigate, minimize, or avoid future construction efforts.

Response: When utilizing common corridors for new infrastructure, we utilize existing access roads where available, evaluate new access alternatives, and, in difficult terrain or environmentally sensitive areas, review alternative construction means and methods to help minimize environmental impacts.

Once construction plans are finalized, permits are submitted to accurately portray temporary and permanent impacts for all planned construction activities, including mitigation measures used to maintain the integrity of surrounding areas, and restoration of the construction corridor as a post-construction activity.

All construction activities within the corridor are monitored for permit compliance throughout the construction activity periods. Construction activities may include additional clearing, construction of access roads, use of temporary matting, installation of stormwater management measures, excavation for new foundations and erection of structures, removal of existing structures, (including characterizing excess soil and concrete for disposal to an appropriate facility), installation of conductors, and new hardware which supports the proposed infrastructure.

Common corridor utilization also leverages existing vegetation clearing activities for the new electrical facilities. Although additional clearing may be required to maintain vegetation requirements for lines where voltage is increased, modification of an existing corridor is preferable to full extent clearing associated with greenfield construction.

- (15) Please identify all discussions that you have had with BOEM regarding the siting and permitting of your proposed project, including but not limited to:
- (a) whether a right-of-way (ROW) grant or right of use authorization (RUA) will be required,
 - (b) whether BOEM will conduct or be required to conduct a competitive solicitation prior to the issuance of a ROW grant or RUA,
 - (c) BOEM's information needs and expected timeline for the issuance of any competitive solicitation, ROW grant, and/or RUA (including information needed and the expected timeline for conducting any required review under NEPA), and
 - (d) the expected timeline for you to submit, and BOEM to review and approve, a general activities plan (GAP) for your proposal.

Response: JCP&L has not had any discussions with BOEM to date since no part of the proposal includes any offshore work.

- (16) Please identify all discussions you have had with current and recently awarded lease holders with respect to your proposal, any concerns that you have identified as a result of those discussions, and any concerns that have been raised by those lease holders.

Response: JCP&L has not had any discussions with recently awarded lease holders to date since no part of the proposal includes any offshore work.

Project Schedule:

- (17) Offshore wind developers have identified schedule risk as the primary concern for selecting offshore transmission facilities via the SAA. Please explain how your proposed schedule will ensure offshore wind generation facilities will be able to meet their construction schedule and projected in-service date for each solicitation, and the need for electricity back-feed 12 to 15 months prior to its in-service date.

Response: The current JCP&L schedule provides for a back-feed date 12-months prior to each solicitation. JCP&L proposes to meet with all parties, no less than quarterly, more often, if necessary, to ensure in-service dates schedules are coordinated with offshore wind generation interconnection, including testing and commissioning.

- (18) In the absence of a firm schedule commitment, please describe steps taken to ensure schedule coordination with BPU and developer to ensure timely project delivery, OSW generation & energization.

Response: The JCP&L updates will include critical-path milestones on engineering progress, material acquisition & delivery, environmental (NJDEP) and third-party land use permit activities, construction progress, testing & commissioning, and in-servicing.

- (19) If the Board were to increase the capacity procured during future offshore wind solicitations, how can your proposal accommodate that change? In your response, please describe the earliest in-service date possible for each phase of your proposed project(s), the limitations to achieving an earlier in-service, and the costs for accelerating the cost schedule.

Response: Accommodation of an increase in procured capacity cannot be determined without more details including capacity levels and injection locations, followed by engineering studies to determine their impact. Acceleration of schedule can be inhibited by several factors: (1) securing environmental (DEP) and third-party land use permits; (2) completion of timely BPU CPCN filing for proposed 500kV lines and delays associated with any third-party intervention; and (3) system outage constraints that could impact and delay construction-related activities.

Project Costs:

- (20) Do the revenue requirements include allowance for funds used during construction (AFUDC) for Proposal 453?

Response: Yes

Environmental:

Proposal 17

- (21) Green Acres: Have you conducted title work or reviewed the right of way/easement language specific to each parcel impacted, in an effort to verify that the proposed project is permissible under the existing right of way/easements? If yes, please describe. This would apply to new/additional/upgraded service lines, poles and towers or the clearing of trees in an expanded right of way.

Response: Although no formal title work has been performed to date, JCP&L has reviewed existing easements related to this proposed scope to determine existing rights and to identify any exceptions. JCP&L anticipates coordination with NJDEP Green Acres Program for two aspects of the proposal; the tree clearing that may be needed relating existing Smithburg-East Windsor 500/230 kV corridor (Note: the existing easements allow for tree clearing to the full extent of the ROW width of 180 feet) and the expansion outside the existing footprint of East Windsor Substation.

- (22) State-owned lands (Parks, Forests, Wildlife Management Areas): Have you consulted with the Office of Transactions and Public Land Administration on the use of State-owned lands? Does this project include any alternatives that would avoid state lands? If yes, please describe and explain how you will address potential additional impacts on ratepayers should the alternative site make the project more costly. If an alternative is pursued, what (if any) impacts might that decision have on the project schedule?

Response: No, JCP&L has not consulted with the Office of Transactions and Public Land Administration to date; however, JCP&L does not plan for any new developments on state owned land. JCP&L does have existing ROW that crosses state-owned lands and would anticipate future coordination for construction and access. The JCP&L proposal does not include any alternatives that would avoid state lands since we are proposing to utilize our existing ROW. Any alternative to using the existing JCP&L ROW would increase overall project duration and increase costs.

- (23) Land Resources Protection: Have you consulted with the Division of Land Resources Protection to confirm whether the proposed project is covered under statewide "blanket" permit #0000-05-0010.1 LUP190001? Are there any activities proposed that are outside of the scope of JCP&L's "blanket" permit?

Response: A presentation to NJDEP staff was conducted on August 20, 2021, to review the proposed scope included in JCP&L's proposal which included an increase of permanent impacts to regulated areas that will require approval from NJDEP and will not be covered under JCP&L's Statewide 'Blanket' Permit #0000-05-0010.1 LUP190001. If awarded, JCP&L will schedule a pre-application meeting with NJDEP representatives to discuss the requirements.

- (24) DRCC: Have you consulted with the Delaware & Raritan Canal Commission about the project and any required permits or approvals?

Response: At this time, JCP&L has not consulted with the Delaware & Raritan Canal Commission. JCP&L anticipates coordination concerning DRCC for the expansion needed at East Windsor Substation. If awarded, JCP&L will schedule a pre-application meeting with DRCC representatives to discuss the expansion at East Windsor Substation.

Proposal 453

- (25) Green Acres: Have you conducted title work or reviewed the right of way/easement language specific to each parcel impacted, in an effort to verify that the proposed project is permissible under the existing right of way/easements? If yes, please describe. This would apply to new/additional/upgraded service lines, poles and towers or the clearing of trees in an expanded right of way.

Response: Although no formal title work has been performed to date, JCP&L has reviewed existing easements related to this proposed scope to determine existing rights and to identify any exceptions. No Green Acres impact is anticipated based on the current scope of this proposal.

- (26) Land Resources Protection: Have you consulted with the Division of Land Resources Protection to confirm whether the proposed project is covered under statewide “blanket” permit #0000-05-0010.1 LUP190001? Are there any activities proposed that are outside of the scope of JCP&L's "blanket" permit?

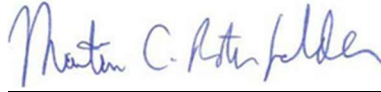
Response: A presentation to NJDEP staff was conducted on August 20, 2021, to review the proposed scope included in JCP&L’s proposal. Any additional impacts to regulated features will require approval from NJDEP and will not be covered under JCP&L’s Statewide ‘Blanket’ Permit #0000-05-0010.1 LUP190001. If awarded, JCP&L will schedule a pre-application meeting with NJDEP representatives to discuss the requirements.

- (27) State-owned lands (Parks, Forests, Wildlife Management Areas): Have you consulted with the Office of Transactions and Public Land Administration on the use of State-owned lands? Does this project include any alternatives that would avoid state lands? If yes, please describe and explain how you will address potential additional impacts on ratepayers should the alternative site make the project more costly. If an alternative is pursued, what (if any) impacts might that decision have on the project schedule?

Response: No, JCP&L has not consulted with the Office of Transactions and Public Land Administration to date; however, JCP&L does not plan for any new developments on state owned land. JCP&L does have existing ROW that crosses state-owned lands and would anticipate future coordination for construction and access. The JCP&L proposal does not include any alternatives that would avoid state lands since we are proposing to utilize our existing ROW. Any alternative to using the existing JCP&L ROW would increase overall project duration and increase costs.

Respectfully submitted,

ROTHFELDER STERN, L.L.C.
COUNSEL FOR
JERSEY CENTRAL POWER & LIGHT COMPANY



Date: June 10, 2022

Martin C. Rothfelder, Esq.
Rothfelder Stern, L.L.C.
407 Greenwood Avenue, #301
Trenton, NJ 08609
(609) 394-1000
mrothfelder@rothfelderstern.com